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10 Attorneys for Defendant and Counterclaimant,
11 DBEST PRODUCTS, INC.

12
13 **UNITED STATES DISTRICT COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA**

15 iBeauty Limited Company,
16 Dongguan Xianghuo Trading Co., Ltd.,
17 Dongguan Laiyang Trading Co., Ltd.,
18 Guangzhou Linyu Trading Co., Ltd.,
19 Guangzhou Lincan Electronic
20 Technology Co., Ltd., and Guangzhou
21 Senran Electronic Technology Co., Ltd.,

22 Plaintiffs / Counterclaim
23 Defendants,

24 v.

25 dbest products, Inc.,

26 Defendant / Counterclaim
27 Plaintiff,

Case No. 2:24-cv-10694-MWC-JC

Hon. Michelle Williams Court

**ANSWER, AFFIRMATIVE
DEFENSES, AND
COUNTERCLAIMS TO SECOND
AMENDED COMPLAINT**

DEMAND FOR JURY TRIAL

1 Defendant and Counterclaim Plaintiff dbest products, Inc. (“dbest”), by and
2 through undersigned counsel, hereby submits this answer, affirmative defenses and
3 counterclaims to the Complaint filed by Plaintiffs in the above-caption action. Any
4 allegation in the Complaint not specifically admitted below is denied.

5 **NATURE OF THE ACTION**

6 1. dbest admits that the Plaintiffs seek declaratory judgments of patent
7 invalidity and non-infringement under the Declaratory Judgment Act, and that the
8 Second Amended Complaint attached a copy of the ‘576 Patent as Exhibit 1. dbest
9 denies that “Plaintiffs’ products are “Non-Infringing Products.”

10 2. dbest denies that Plaintiffs’ products are “Non-Infringing Products.”
11 dbest admits the remaining allegations of paragraph 2.

12
13 **PARTIES**

14 3. dbest lacks knowledge or information sufficient to form a belief as to
15 the truth of the allegations set forth in paragraph 3 and on that basis denies them.

16 4. dbest lacks knowledge or information sufficient to form a belief as to
17 the truth of the allegations set forth in paragraph 4 and on that basis denies them.

18 5. dbest lacks knowledge or information sufficient to form a belief as to
19 the truth of the allegations set forth in paragraph 5 and on that basis denies them.

20 6. dbest lacks knowledge or information sufficient to form a belief as to
21 the truth of the allegations set forth in paragraph 6 and on that basis denies them.

22 7. dbest lacks knowledge or information sufficient to form a belief as to
23 the truth of the allegations set forth in paragraph 7 and on that basis denies them.

24 8. dbest lacks knowledge or information sufficient to form a belief as to
25 the truth of the allegations set forth in paragraph 8 and on that basis denies them.

26 9. dbest admits the allegations of paragraph 9.

27 **JURISDICTION AND VENUE**

28 10. dbest admits the allegations of paragraph 10.

1 11. dbest admits the allegations of paragraph 11.

2 12. dbest admits the allegations of paragraph 12.

3
4 **FACTUAL BACKGROUND**

5 13. dbest lacks knowledge or information sufficient to form a belief as to
6 the truth of the allegations set forth in paragraph 13 and on that basis denies them.

7 14. dbest lacks knowledge or information sufficient to form a belief as to
8 the truth of the allegations set forth in paragraph 14 and on that basis denies them.

9 15. dbest lacks knowledge or information sufficient to form a belief as to
10 the truth of the allegations set forth in paragraph 15 and on that basis denies them.

11 16. dbest lacks knowledge or information sufficient to form a belief as to
12 the truth of the allegations set forth in paragraph 16 and on that basis denies them.

13 17. dbest lacks knowledge or information sufficient to form a belief as to
14 the truth of the allegations set forth in paragraph 17 and on that basis denies them.

15 18. dbest lacks knowledge or information sufficient to form a belief as to
16 the truth of the allegations set forth in paragraph 18, and on that basis denies them.

17 19. dbest lacks knowledge or information sufficient to form a belief as to
18 the truth of the allegations set forth in paragraph 19 and on that basis denies them.

19 20. dbest lacks knowledge or information sufficient to form a belief as to
20 the truth of the allegations set forth in paragraph 20 and on that basis denies them.

21 21. dbest lacks knowledge or information sufficient to form a belief as to
22 the truth of the allegations set forth in paragraph 21 and on that basis denies them.

23 22. dbest lacks knowledge or information sufficient to form a belief as to
24 the truth of the allegations set forth in paragraph 22 and on that basis denies them.

25 23. dbest lacks knowledge or information sufficient to form a belief as to
26 the truth of the allegations set forth in paragraph 23 and on that basis denies them.

27 24. dbest lacks knowledge or information sufficient to form a belief as to
28 the truth of the allegations set forth in paragraph 24, and on that basis denies them.

25. dbest denies that “Plaintiffs’ storage bin products” are “Non-Infringing Products.” dbest lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations set forth in paragraph 25 and on that basis denies them.

U.S. PATENT NO. 12,103,576

26. dbest admits the allegations of paragraph 26.

27. dbest admits that the ‘576 Patent is entitled “STACKABLE COLLAPSIBLE CARTS” and that the Abstract states:

“collapsible cart configured to transition from a closed condition where it may be folded up to an open condition where it may be expanded for use, the collapsible cart including a rigid frame forming a compartment, the rigid frame having a front wall, a rear wall, a right sidewall, a left sidewall, and a bottom wall, the right sidewall and the left sidewall may be configured to fold inwardly in the closed condition. In some embodiments, the right sidewall including a first right panel rotatably coupled to a second right panel.”

dbest denies the remaining characterizations and allegations of paragraph 27.

28. dbest admits the allegations of paragraph 28.

29. Paragraph 29 contains a legal conclusion that need not be admitted or denied. dbest denies the remaining allegations of paragraph 29.

30. Paragraph 30 contains a legal conclusion that need not be admitted or denied. dbest denies the remaining allegations of paragraph 30.

31. Paragraph 31 contains a legal conclusion that need not be admitted or denied. dbest denies the remaining allegations of paragraph 31.

32. dbest admits the allegations of paragraph 32.

33. dbest admits the allegations of paragraph 33.

34. dbest admits that the '576 Patent introduced new matter vis-à-vis application S.N. 18/161,677. dbest denies the remaining allegations of paragraph

1 34.

2 35. dbest admits that the ‘576 Patent is a continuation-in-part, as reflected
3 in the docket number of the filed application. dbest denies the remaining allegations
4 of paragraph 35.

5 36. Paragraph 36 contains a legal conclusion that need not be admitted or
6 denied. dbest denies the remaining allegations of paragraph 36.

7 37. dbest denies the allegations of paragraph 37.

8 38. dbest denies the allegations of paragraph 38.

9 39. dbest admits that Figures 1-29 and Figures 30-43 of the ‘576 Patent are
10 directed to embodiments of the disclosure. dbest denies the remaining
11 characterizations and allegations of paragraph 39.

12 40. dbest admits the allegations of paragraph 40.

13 41. dbest admits the allegations of paragraph 41.

14 42. dbest admits the allegations of paragraph 42.

15 43. dbest admits that the “Shark Tank” is referenced on its website. dbest
16 denies the remaining characterizations and allegations of paragraph 43.

17 44. Paragraph 44 contains a legal conclusion that need not be admitted or
18 denied. dbest denies the remaining allegations of paragraph 44.

19 45. dbest admits the allegations of paragraph 45.

20 46. dbest admits the allegations of paragraph 46.

21 47. dbest admits the allegations of paragraph 47.

22 48. dbest denies the allegations of paragraph 48. dbest’s webpage
23 containing legal notice of its patents also identifies U.S. Patent No. 12,275,446 and
24 U.S. Patent No. 12,304,546—each with a priority date of January 6, 2020—for the
25 Quick Cart Elite / Pro product.

26 49. Paragraph 49 contains a legal conclusion that need not be admitted or
27 denied. To the extent a response is required, dbest admits that the original Quik Cart
28 was publicly displayed more than a year before the earliest priority date of the ‘576

1 Patent, but denies that that Quik Cart included all the features of the Quik Cart Elite
2 / Pro and/or Quik Box products.

3 50. Paragraph 50 contains a legal conclusion that need not be admitted or
4 denied. dbest denies the remaining allegations of paragraph 50.

5 51. dbest denies the allegations of paragraph 51.

6 52. Plaintiffs' allegations are incomprehensible and do not specify what
7 they assert to be the "November 2019 prior art," and on that basis, dbest denies the
8 allegations of paragraph 52.

9 53. Plaintiffs' allegations in paragraph 53 concerning "multiple prior arts at
10 least as early as" for the "'Quik Box' as displayed in Claim 11" are unintelligible in
11 that patent claims do not *display* products. Plaintiffs' allegations are also
12 incomprehensible and do not specify the prior art in their vague assertions of
13 "multiple prior arts" and "prior arts at least as early as." On that basis, dbest denies
14 the allegations of paragraph 53.

15 54. Plaintiffs' allegations in paragraph 54 are incomprehensible for the
16 same reasons advanced with respect to paragraphs 52 and 53. dbest denies the
17 allegations of paragraph 54.

18 **COUNT I**

19 **Declaratory Judgment of Non-Infringement - the '576 Patent**

20 55. dbest incorporates by reference its responses above to the allegations in
21 paragraphs 1-54 as if fully repeated in this paragraph.

22 56. dbest denies the allegations of paragraph 56.

23 57. dbest denies the allegations of paragraph 57.

24 58. dbest denies the allegations of paragraph 58.

25 59. dbest denies the allegations of paragraph 59.

26 60. dbest admits that Plaintiffs purport to seek relief under the Declaratory
27 Judgment Act but denies that Plaintiffs are entitled to the relief requested and denies
28 each and every remaining allegation of paragraph 60.

61. dbest denies the allegations of paragraph 61.

62. dbest denies the allegations of paragraph 62.

COUNT II

Declaratory Judgment of Invalidity - the '576 Patent

63. dbest incorporates by reference its responses above to the allegations in paragraphs 1-62 as if fully repeated in this paragraph.

64. dbest admits the allegations of paragraph 64.

65. Paragraph 65 contains a legal conclusion that need not be admitted or denied. dbest denies the remaining allegations of paragraph 65.

66. dbest denies the allegations of paragraph 66.

67. dbest denies the allegations of paragraph 67.

68. dbest denies the allegations of paragraph 68.

69. Paragraph 69 contains a legal conclusion that need not be admitted or denied. dbest denies the remaining allegations of paragraph 69.

70. dbest lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 70 and on that basis denies them. The allegations of paragraph 70 also involve a legal conclusion that need not be admitted or denied, and are further denied by dbest on that basis.

71. dbest lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 71 and on that basis denies them.

72. dbest lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 72 and on that basis denies them.

73. dbest lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 73 and on that basis denies them.

74. dbest lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 74 and on that basis denies them.

75. dbest lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 75 and on that basis denies them.

1 76. dbest denies the allegations of paragraph 76.

2 **COUNT III**

3 **Declaratory Judgment of Invalidity for Inequitable Conduct - the ‘576 Patent**

4 77. dbest incorporates by reference its responses above to the allegations in
5 paragraphs 1-77 as if fully repeated in this paragraph.

6 78. dbest admits that it was under the duty of 37 C.F.R. § 1.56 to disclose
7 information “material to patentability,” meaning information that itself “is not
8 cumulative to information already of record or being made of record in the
9 application, and (1) it establishes, by itself or in combination with other information,
10 a prima facie case of unpatentability of a claim; or (2) it refutes, or is inconsistent
11 with, a position the applicant takes in: (i) [o]pposing an argument of unpatentability
12 relied on by the Office, or (ii) [a]sserting an argument of patentability.” dbest denies
13 the remaining characterizations and allegations of paragraph 78.

14 79. dbest denies the allegations of paragraph 79.

15 80. dbest denies the allegations of paragraph 80.

16 81. dbest denies the allegations of paragraph 81.

17 82. dbest denies the allegations of paragraph 82.

18 83. dbest denies the allegations of paragraph 83.

19 84. dbest denies the allegations of paragraph 84.

20 85. dbest denies the allegations of paragraph 85.

21 **PRAYER FOR RELIEF**

22 dbest denies that Plaintiffs are entitled to any relief. dbest requests that the
23 Court enter judgment in its favor on all claims and award it reasonable costs and
24 attorneys’ fees and any further relief the Court deems appropriate.

25
26 **AFFIRMATIVE DEFENSES**

27 **FIRST AFFIRMATIVE DEFENSE**

28 **(Infringement)**

1 One or more of Plaintiffs' products directly or indirectly infringe at least one
2 claim of the '576 Patent.

3 **SECOND AFFIRMATIVE DEFENSE**

4 **(Validity and Enforceability)**

5 All claims of the '576 Patent are valid and enforceable under 35 U.S.C. § 1 et
6 seq., and Plaintiffs will not be able to demonstrate otherwise by clear and
7 convincing evidence.

8 **THIRD AFFIRMATIVE DEFENSE**

9 **(No injury or standing)**

10 Plaintiffs have suffered no injury and lack standing.

11 **FOURTH AFFIRMATIVE DEFENSE**

12 **(Limitation on damages)**

13 Plaintiff's claims for attorney's fees are barred at least because this case is not
14 exceptional and dbest's alleged actions were not willful or malicious.

15 **FIFTH AFFIRMATIVE DEFENSE**

16 **(Equitable defenses)**

17 Plaintiffs' claims and/or remedies are barred under principles of equity
18 including laches, estoppel, waiver, and/or unclean hands.
19

20
21 **COUNTERCLAIMS**

22
23 **NATURE OF THE COUNTERCLAIMS**

24 1. dbest products, Inc. ("dbest") counterclaims against iBeauty Limited
25 Company, Dongguan Xianghuo Trading Co., Ltd., Dongguan Laiyang Trading Co.,
26 Ltd., Guangzhou Linyu Trading Co., Ltd., Guangzhou Linan Electronic
27 Technology Co., Ltd., and Guangzhou Senran Electronic Technology Co., Ltd.
28

(collectively, “Counterclaim Defendants”) for direct infringement under the patent laws of the United States, 35 U.S.C. § 271.

THE PARTIES

2. dbest is a California corporation with its principal place of business at 16506 South Avalon Boulevard, Carson, California.

3. On information and belief, iBeauty Limited Company is a corporation organized under Colorado law with its principal place of business at 201 E Center St, Suite 112 #3500, Anaheim, CA 92805, United States.

4. On information and belief, Dongguan Xianghuo Trading Co., Ltd. is a Chinese company, with a principal place of business at Room 403, No.22, Zhenhua Road, Humen District, Humen Town, Dongguan, Guangdong, China.

5. On information and belief, Dongguan Laiyang Trading Co., Ltd. is a Chinese company, with a principal place of business at Room 301, No. 8, Lane 9, Zexu Datang, Humen Town, Dongguan, Guangdong, China.

6. On information and belief, Guangzhou Linyu Trading Co., Ltd. is a Chinese company, with a principal place of business at 206, Building 9, No. 313 Guangyun Road, Jiahe Street, Baiyun District, Guangzhou, Guangdong, China.

7. On information and belief, Guangzhou Lincan Electronic Technology Co., Ltd. is a Chinese company, with a principal place of business at No. 41, Yunlong Road, Baiyun District, Guangzhou, China.

8. On information and belief, Guangzhou Senran Electronic Technology Co., Ltd. is a Chinese company, with a principal place of business at Room 401, No.12, Danyuan 1 Henglu, Pengshang, Lianbian, Baiyun District, Guangzhou, China.

JURISDICTION AND VENUE

1 issued on April 25, 2025 (“the ’446 Patent”). A copy of the ’446 Patent is attached
2 as **Exhibit B**.

3 15. dbest owns all rights, title, and interest in and to U.S. Patent No.
4 12,304,546, entitled “COLLAPSIBLE CARTS” and issued on May 20, 2025 (“the
5 ’546 Patent”). A copy of the ’546 Patent is attached as **Exhibit C**.

6 16. It is dbest’s policy and practice to mark its carts protected by one or
7 more of its patents with the patent number(s) to provide notice to the public that the
8 product is protected by a U.S. patent. Since each of the ’576, ’446, and ’546 Patents
9 issued, dbest has complied with its marking policy to give notice to the public that
10 specific dbest products are protected by the respective patents.

11 17. On information and belief, Counterclaim Defendants sell products on
12 Amazon.com (“Amazon”) to consumers living in the United States and in this
13 judicial district.

14 18. dbest regularly monitors retail platforms, including Amazon, to
15 identify offers for sale and sales of products that infringe its patent rights and other
16 intellectual property rights. dbest identified numerous products (“the Accused
17 Products” or “Accused Instrumentalities”) that infringe at least one claim of the
18 ’576, ’446, and ’546 Patents.

19 19. Schedules of the Amazon Standard Identification Number (“ASIN”) for each
20 Accused Instrumentality of which dbest is currently aware are attached as
21 **Exhibits D, E, F, G, H, and I**. dbest may disclose additional infringing products at
22 the appropriate times as consistent with this District’s Local Rules and this Court’s
23 Standing Orders.

24
25 **COUNT I**

26 **(Infringement of the ’576 Patent—35 U.S.C. §§ 271)**

27 20. The foregoing paragraphs are incorporated by reference as if fully set
28 forth in this paragraph.

21. Counterclaim Defendants have infringed and continue to infringe the '576 Patent by offering for sale, selling, and/or otherwise distributing the Accused Instrumentalities in violation of 35 U.S.C. § 271. A representative claim chart demonstrating how an Accused Instrumentality satisfies each element and limitation of at least one claim of the '576 Patent is attached as **Exhibit J**.

22. Counterclaim Defendants' infringement has injured and continues to injure dbest, which is entitled to recover damages adequate to compensate it for that infringement.

23. dbest will continue to suffer irreparable injury unless and until Counterclaim Defendants are enjoined by the Court.

24. dbest is entitled to injunctive and compensatory relief, including attorneys' fees and costs.

COUNT II

(Infringement of the '446 Patent—35 U.S.C. §§ 271)

25. The foregoing paragraphs are incorporated by reference as if fully set forth in this paragraph.

26. Counterclaim Defendants have infringed and continue to infringe the '446 Patent by offering for sale, selling, and/or otherwise distributing the Accused Instrumentalities in violation of 35 U.S.C. § 271. Representative claim charts demonstrating how an Accused Instrumentality satisfies each element and limitation of at least one claim of the '446 Patent, by Counter-Defendant, are attached as **Exhibits K, L, M, N, O, and P.**

27. Counterclaim Defendants' infringement has injured and continues to injure dbest, which is entitled to recover damages adequate to compensate it for that infringement.

28. dbest will continue to suffer irreparable injury unless and until Counterclaim Defendants are enjoined by the Court.

1 29. dbest is entitled to injunctive and compensatory relief, including
2 attorneys' fees and costs.

3
4 **COUNT III**

5 **(Infringement of the '546 Patent—35 U.S.C. §§ 271)**

6 30. The foregoing paragraphs are incorporated by reference as if fully set
7 forth in this paragraph.

8 31. Counterclaim Defendants have infringed and continue to infringe the
9 '546 Patent by offering for sale, selling, and/or otherwise distributing the Accused
10 Instrumentalities in violation of 35 U.S.C. § 271. Representative claim charts
11 demonstrating how an Accused Instrumentality satisfies each element and limitation
12 of at least one claim of the '546 Patent, by Counter-Defendant, are attached as
13 **Exhibits Q, R, S, T, U, and V.**

14 32. Counterclaim Defendants' infringement has injured and continues to
15 injure dbest, which is entitled to recover damages adequate to compensate it for that
16 infringement.

17 33. dbest will continue to suffer irreparable injury unless and until
18 Counterclaim Defendants are enjoined by the Court.

19 34. dbest is entitled to injunctive and compensatory relief, including
20 attorneys' fees and costs.

21
22 **PRAYER FOR RELIEF**

23 WHEREFORE, dbest asks the Court to enter judgment in its favor and against
24 Counterclaim Defendants and grant the following relief:

25 A. finding, declaring, and adjudging that Plaintiffs are not entitled to any
26 remedy or relief, and, therefore, shall take nothing from dbest;

27 B. finding, declaring, and adjudging that the Counterclaim Defendants
28 have infringed the '576, '446, and '546 Patents;

- 1 C. declaring the case exceptional and ordering Counterclaim Defendants
2 to pay dbest its reasonable attorneys' fees and costs, pursuant to 35
3 U.S.C. § 285;
- 4 D. entering an injunction, pursuant to 35 U.S.C. § 283, permanently
5 enjoining Counterclaim Defendants, their officers, agents, employees,
6 and all others in active concert or participation with it, or any of them,
7 from doing any acts that infringe the '576, '446, and '546 Patents;
- 8 E. ordering that Counterclaim Defendants and/or Amazon.com, Inc. take
9 all steps necessary to deliver to dbest all remaining inventory of all
10 Accused Instrumentalities in their possession, custody, and control;
- 11 F. awarding damages in an amount adequate to compensate dbest for
12 Counterclaim Defendants' infringement of the '576, '446, and '546
13 Patents, and awarding treble damages, as well as interest and costs,
14 pursuant to 35 U.S.C. § 284;
- 15 G. any further relief that the Court deems just and proper.

16
17 **JURY TRIAL DEMAND**

18 dbest demands a jury trial on all issues triable by a jury.
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20
21

22 DATED: June 30, 2025

Respectfully submitted,

23 ORBIT IP LLP.

24 By: /s/ Ehab M. Samuel

25 EHAB M. SAMUEL

26 DAVID A. RANDALL

27 *Attorneys for dbest products, Inc.*
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2 **CERTIFICATE OF SERVICE**
3

4 I certify that on June 30, 2025, the foregoing was electronically filed with the
5 Clerk of the Court by using the CM/ECF system, which will send notice of electronic
6 filing to all counsel of record.
7

8 /s/ Ehab M. Samuel
9 Ehab M. Samuel
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